

From: Corey Murphy [mailto:cmurphy@locateinmadison.com]

Sent: Monday, May 21, 2012 10:55 PM

To: Chip Orben; Gary Kennon; Ken Ward; Donald L Heiderman; Tony Waltz; William H. Hensler; Julie Berry; Margaret F Seifert; Damon Welch

Subject: Tuesday's City Council Mtg.

Please see the e-mail conversation below and read from the bottom up.

Supporters of economic development are needed at Tuesday's City Council meeting. It starts at 5:30 pm.

Thanks,

Corey Murphy

Sent from my iPhone



Begin forwarded message:

From: "Heath, Wanda" <wheath@iedc.IN.gov>

Date: May 21, 2012 2:07:23 PM EDT

To: <laurashodges@hotmail.com>

Cc: "Hasler, Dan" <DHasler1@iedc.IN.gov>, "Sparks, Charles" <csparks@iedc.IN.gov>, "Pittman, Chad A." <cpittman@iedc.IN.gov>, "Lane, Trevor" <tlane@iedc.IN.gov>, "Schpok, Jacob" <JSchpok@iedc.IN.gov>

Subject: FW: Fwd:WindStream Due Diligence

Dear Madison City Council President, Laura Hodges,

The IEDC feels strongly that AdvanceMadison has "missed it" with WindStream Technologies. We have a very good relationship with this company. To date, WindStream Technologies has exceeded their job creation projections and they are on track to exceed them again this year.

Dan Bates from WindStream Technology is an Indiana Ambassador and has referred several great companies to Indiana.

We are concerned that AdvanceMadison has placed a seed of doubt in the minds of City Council regarding the opportunity at hand with Project Green Sun (Global Energy Solutions). The Indiana Economic Development Corporation has offered incentives directly to Global Energy Solutions. The Office of Community & Rural Affairs has offered a grant to the City of Madison on behalf of this project (contingent on an approved application). The Lawrenceburg Economic Development Grant Committee, together with Lawrenceburg City Council, have approved a grant to the City of Madison on behalf of this project.

Secretary of Commerce Dan Hasler asked me to send the following message:

If Madison is not going to take advantage of the job creation and investment opportunity being presented by Global Energy Solutions, (and that's OK) don't further frustrate the company with delays. We do not want to lose this project for Indiana.

Please contact me or anyone at IEDC if you have questions, comments or concerns.

Kindest Regards,

Wanda Heath

Business Development, Project Manager

Indiana Economic Development Corporation

Southeast Region

1200 West O & M Avenue

North Vernon, Indiana 47265

[REDACTED]
[REDACTED]
[REDACTED]

www.iedc.in.gov

From: AdvanceMadison@aol.com

Date: Sat, 19 May 2012 11:44:36 -0400

Subject: WindStream Due Diligence

To: laurashodges@hotmail.com; dlwelch@cinergymetro.net; miltonautosales@bellsouth.net;
petebackusd3@roadrunner.com; gogolf72@cinergymetro.net; art@columbusembroidery.com

Council People,

Attached is a Due Diligence PowerPoint presentation on WindStream.

This presentation was given to a group that decided not to invest in the company when they came to New Albany.

This Due Diligence report is far from complete. It only contains information that was publicly available at the time.

There are two reason I am sending this report to you.

One, the company wanting to locate here appears to be connected to WindSteam and I believe that is a grave concern, considering WindStream's history..

And second, to stress the importance that a thorough Due Diligence report and Feasibility Study must be done before the Council commit financial resources to the startup company that Corey has brought to you. The report and study should have been completed, and evaluated before the project was brought to the Council. Corey and the Mayor have place you in a very difficult position.

In addition to the presentation, I have included some additional details the presenter shared with the group.

If you have any questions, please do not hesitate to contact me.

Sincerely

Warren A., Auxier

A solid black rectangular box used to redact the signature of Warren A. Auxier.

For example, some of the details were:

Dan worked for Frontier and, according to a lawsuit which Dan lost (vs. his partner Mark Gottwald), he stole the IP and shut down the company.

He then used this IP to start a new company, Avant Interactive, which ended up raising and spending a lot of money and then went out of business.

I included a copy of what the website looked like. It had a list of clients, but it turns out that they were not actual paying clients.

The figures Dan gave on the WindStream windmill were conflicting and none of the numbers added up. It would be impossible to make the revenue for the price he would sell them at and at the quantity that could be produced. Also, the device would not have a good value for the money when comparing its price to the low amount of electricity it could produce.

WindStream mentioned a company in Brazil that had made an order for a large amount of its windmills and used this as a bargaining ploy.

However, this Brazilian company was only a shell, and its client list was completely false. I had a friend in Brazil check on this company.

They never even answered their phone. I also visited one of the buildings in KY where they said they had installed windmills, and I spoke with the chief engineer there. They said that there had never been any windmills on any of their buildings and that they had never dealt with either Windstream or the Brazilian windmill company.

2 attachments

Due_Diligence_Report.ppt

1038K

ATT00001.htm

1K